

GENERAL ORDINANCE NO. 2-2008

**A Supplemental Ordinance of the Indianapolis Airport Authority
authorizing the issuance and sale of one or more series of
additional revenue bonds of said Authority, designated
"Indianapolis Airport Authority Variable Rate Airport Revenue Bonds, Series 2008A"
to refund a portion of the Authority's outstanding debt,
to provide for the costs of additional improvements to the Airport System,
to safeguard the rights of the bondholders and other matters related thereto**

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to refund a portion of the Authority's outstanding debt,
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to safeguard the rights of the bondholders and other matters related thereto**

WHEREAS, the City Council of the City of Indianapolis did on May 1, 1961, adopt Special Ordinance No. 11-1961, authorizing the establishment of said airport authority district, which ordinance was duly approved by the Mayor of said City on May 2, 1961; and

WHEREAS, the Marion County Council did on June 8, 1961, and July 7, 1961, adopt its resolutions authorizing the establishment of said district; and

WHEREAS, the members of the board (the "Board") of the Indianapolis Airport Authority (the "Authority") were duly appointed and met in its initial organization meeting on January 1, 1962; and

WHEREAS, the Authority has continued to exist and is now governed by and operates pursuant to the recodified statutes set forth in IC 8-22-3, as amended (the "Act"), as a separate and distinct municipal corporation with authority to own and operate public airports; and

WHEREAS, the Board adopted General Ordinance No. 4-2002 on December 20, 2002, which amended and restated General Ordinance No. 6-1985, adopted on November 4, 1985, to authorize the issuance of Revenue Bonds (as defined therein) by supplement thereto, and subsequently adopted General Ordinance No. 7-2005 to amend such Ordinance (as amended, the "Master Ordinance"); and

WHEREAS, the Master Ordinance provides that the Board may, from time to time, adopt ordinances to supplement and amend the Master Ordinance and authorize the issuance of Additional Revenue Bonds (as defined in the Master Ordinance); and

WHEREAS, the Board has determined that it may be necessary and desirable to currently refund all or a portion of the Outstanding Commercial Paper (as defined herein), and to fund additional capital projects by the issuance of Additional Revenue Bonds pursuant to the Act and the Master Ordinance; and

WHEREAS, the Board wishes to delegate to any Authorized Airport Representative (as defined in the Master Ordinance) the power to approve the issuance of the 2008A Bonds (as defined herein) pursuant to this Supplemental Ordinance (the "Supplemental Ordinance") and other related documents and agreements; and

WHEREAS, IC 5-1.4 provides that a "qualified entity," which term includes the Authority, may issue and sell its bonds and notes to The Indianapolis Local Public Improvement Bond Bank ("Bond Bank"); and

WHEREAS, the Executive Director of the Bond Bank has expressed a willingness to purchase the 2008A Bonds issued hereunder in a negotiated sale subject to approval by the Board of Directors of the Bond Bank; and

WHEREAS, the Board has determined that it will be in the best interest of the Authority to sell the 2008A Bonds issued hereunder to the Bond Bank in a negotiated sale;

WHEREAS, contemporaneous with the issuance of the 2008A Bonds and the 2008 Bond Bank Bonds, certain interest rate swap transactions involving the Authority and/or the Bond Bank shall become effective; and

WHEREAS, the Board has determined that an Authorized Airport Representative shall be permitted to authorize and cooperate with the Bond Bank to purchase, or arrange to purchase, bond insurance, swap insurance, liquidity facilities, letters of credit or other liquidity or credit enhancement for the 2008A Bonds or the 2008 Bond Bank Bonds (as defined herein) and any related swap transactions and to approve and execute any agreements or certificates (collectively, the "Ancillary Bond Agreements") deemed necessary by such Authorized Airport Representative to implement such Ancillary Bond Agreements.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF THE INDIANAPOLIS AIRPORT AUTHORITY:

ARTICLE I.

AUTHORITY AND DEFINITIONS

Section 1.1. Supplemental Ordinance. This Supplemental Ordinance (the "Supplemental Bond Ordinance") is supplemental to, and is adopted in accordance with, Sections 5.01 and 9.02(f) of the Master Ordinance.

Section 1.2. Definitions. All terms which are defined in Article I of the Master Ordinance shall have the same meanings in this Supplemental Bond Ordinance, except as set forth in the following paragraphs with respect to the 2008A Bonds:

"Ancillary Bond Agreements" means any insurance agreement, liquidity facility, reimbursement agreement or other similar documents required to be executed in connection with the issuance of any series of the 2008A Bonds, the 2008 Bond Bank Bonds or any Qualified Derivative Agreement related to such bonds.

"Authorized Denominations" for the 2008A Bonds means the same Authorized Denominations the 2008 Bond Bank Bonds are permitted to have under the Trust Indenture for such Bond Bank Bonds.

"Bond Bank" means The Indianapolis Local Public Improvement Bond Bank, as original purchaser of the 2008A Bonds or any successor thereto under the Bond Bank's Trust Indenture for the 2008 Bond Bank Bonds.

"Capital Improvement Program" means the planned Capital Improvements expected to be made at the Airport through 2012, including, among other things, the 2008 Projects and the Midfield Terminal Program, as shown on Attachment I to Exhibit A hereto, as annually updated and revised by the Authority.

"Defeasance Obligations" means, when used with respect to this Supplemental Bond Ordinance, (i) direct obligations of the United States of America (including obligations issued or held in book-entry form), (ii) obligations the timely payment of the principal of and interest on which are fully guaranteed by the United States of America, (iii) certificates which evidence ownership of the right to the payment of the principal of or interest on obligations described in clauses (i) and (ii) provided that such obligations are held in the custody of a bank or trust company satisfactory to the Trustee in a special account separate from the general assets of such custodian, and (iv) municipal obligations, the timely payment of the principal of and interest on which is fully provided for by the deposit in trust or escrow of cash or obligations described in clauses (i), (ii) or (iii).

"Interest Payment Date" shall mean each date on which the 2008 Bond Bank Bonds pay interest in accordance with the Bond Bank's Indenture.

"Letter of Representations" means the various Letters of Representation from the Authority to the Bond Bank and the original purchasers of the 2008 Bond Bank

Bonds, delivered in connection with the sale and issuance of the 2008 Bond Bank Bonds pursuant to one or more Bond Purchase Contracts between the Bond Bank and the various purchasers of the Bond Bank Bonds.

"Midfield Terminal Program" means the costs of acquisition, development, construction and implementation of a new Midfield Terminal at the Airport, including all related infrastructure, access routes, equipment, parking facilities, etc.

"Net Proceeds" means the proceeds of the 2008A Bonds received from the Bond Bank, less any amounts deposited in the 2008 Reserve Account of the Revenue Bond Reserve Fund.

"Outstanding Commercial Paper" means the Subordinate Commercial Paper, Series 1999 issued in 2007, and the Subordinate Commercial Paper, Series 2007, issued in 2007 and 2008 which is Outstanding at the time of issuance of the 2008A Bonds, all or any portion of which may be paid at maturity (but within ninety (90) days after the date of closing on the 2008A Bonds) from a portion of the proceeds of the 2008A Bonds.

"Owner" "Holder" or "Bondholder" means, the Registered Owner of any 2008A Bonds including the Depository Company or its nominees as the sole Registered Owner of Book-Entry Bonds.

"Paying Agent" means The Bank of New York Trust Company, N.A. (as successor in interest to Bank One Trust Company, National Association), and its successors and assigns as paying agent for the 2008A Bonds.

"Prior CP Projects" means the Capital Improvements made to the Airport System from the proceeds of the Outstanding Commercial Paper which is refunded by the 2008A Bonds.

"Project Costs" means those Projects Costs defined in Section 1.01 of the Master Ordinance, except that Project Costs shall include, to the extent provided from moneys in the 2008A Capitalized Interest Account of the Revenue Bond Interest and Principal Fund, interest on Revenue Bonds (including the 2008A Bonds) until the projects such Revenue Bonds finance are complete.

"Purchase Agreement" means the Qualified Entity Purchase Agreement with regard to the 2008A Bonds by and between the Authority and the Bond Bank.

"Record Date" shall mean the record date for the 2008 Bond Bank Bonds.

"Registrar" means The Bank of New York Trust Company, N.A. (as successor in interest to Bank One Trust Company, National Association), and its successors and assigns as registrar for the 2008A Bonds.

"Secured Bonds" means the series or sub-series of Revenue Bonds that are secured by the 2008 Reserve Account of the Revenue Bond Reserve Fund, including the 2008A Bonds and any Additional Revenue Bonds that the Authority hereafter elects to include therein.

"2008 Reserve Account" means the account of the Revenue Bond Reserve Fund held for the benefit of the Secured Bonds.

"2008 Bond Bank Bonds" means the Bond Bank's Variable Rate Bonds, Series 2008 C (Indianapolis Airport Authority Project) issued to purchase the 2008A Bonds.

"2008 Debt Service Reserve Requirement" means the least of (i) 10% of the stated principal amount of the Secured Bonds, (ii) the maximum annual debt service on the Secured Bonds, or (iii) 125% of the average annual principal and interest requirements on the Secured Bonds.

"2008 Projects" means the portion of the Capital Improvement Program expected to be financed with the proceeds of the 2008A Bonds, including, but not limited to, the improvements and additions listed in Attachment I to Exhibit A hereto.

"2008A Bonds" means the Authority's Variable Rate Airport Revenue Bonds, Series 2008A.

"2008A Capitalized Interest Account" means the account of the Revenue Bond Interest and Principal Fund established pursuant to Section 4.9 hereof.

"2008A Construction Fund" means the fund of such name established pursuant to Section 4.8 hereof.

[End of Article I]

ARTICLE II.

TERMS OF THE 2008A BONDS

Section 2.1. Name, Amount, Purpose, Authorization. The 2008A Bonds shall constitute Additional Revenue Bonds under the Master Ordinance and shall be issued, in one or more series, in fully registered form and in an aggregate principal amount not to exceed \$450,000,000, for the purposes set forth in Section 4.4 hereof, all under and pursuant to the authority of the Act, the Master Ordinance and all other applicable law. The 2008A Bonds shall be designated "INDIANAPOLIS AIRPORT AUTHORITY VARIABLE RATE AIRPORT REVENUE BONDS, SERIES 2008A[___]," which designation shall be completed with a hyphen and a numerical designation, if the Authorized Airport Representative shall determine that more than one sub-series of the 2008A Bonds are to be issued.

Section 2.2. Date and Denomination. (a) The 2008A Bonds shall be originally dated the date of delivery, shall be issued in Authorized Denominations and numbered and lettered consecutively from "08A[___]R-1" and upward, which numbering and lettering shall be completed with a hyphen and a numerical designation, if more than one sub-series of the 2008A Bonds are issued. Any 2008A Bonds delivered on transfer of or in exchange for other 2008A Bonds shall be numbered in order of their authentication by the Registrar, shall be in Authorized Denominations and shall be part of the same sub-series, mature on the same date and bear interest at the same rate as the 2008A Bonds in lieu of which they are delivered.

Section 2.3. Manner of Payment, Characteristics, Execution and Authentication.

(a) The 2008A Bonds shall have the characteristics, shall be executed, attested, sealed, and shall be authenticated, all as provided and in the manner indicated in the form of 2008A Bond set forth in Exhibit B to this Supplemental Bond Ordinance or as otherwise approved by an Authorized Airport Representative. The 2008A Bonds shall be payable at the time, interest rates, principal amounts and in the manner provided in Exhibit B hereto; provided, however, that interest on the 2008A Bonds shall include all amounts payable by the Authority to the Bond Bank, as purchaser of the 2008A Bonds, pursuant to the Purchase Agreement, any fees related to any Ancillary Bond Agreement, any Repayment Obligations (as defined in the Master Ordinance) and net payments due under any Qualified Derivative Agreement related to the 2008 Bond Bank Bonds.

(b) If any officer of the Authority whose manual or facsimile signature shall appear on the 2008A Bonds shall cease to be such officer before the authentication of the 2008A Bonds or before the delivery of the 2008A Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

(c) In addition to the amounts that the Authority is required to deposit in the Revenue Bond Interest and Principal Fund for all Revenue Bonds pursuant to Section 4.07 of the Master Ordinance, as to the 2008A Bonds issued hereunder, the Authority shall deposit, on the last Business Day of each month, the full amount of interest due on

the first Business Day of the following month, taking into consideration any applicable Qualified Derivative Agreement.

Section 2.4. Ownership. The Authority, Trustee, Registrar and Paying Agent and any other person may treat the person in whose name any 2008A Bond is registered as the absolute owner of such 2008A Bond for the purposes of making and receiving payment of the principal thereof and premium, if any, thereon, and for the further purpose of making and receiving payment of the interest thereon, and for all other purposes, whether or not such 2008A Bond is overdue, and neither the Authority, the Trustee, the Registrar nor the Paying Agent shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any 2008A Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Authority, Trustee, Registrar and Paying Agent upon such 2008A Bond to the extent of the sums paid.

Section 2.5. Registration, Transfer and Exchange. So long as any 2008A Bonds remain outstanding, the Registrar shall keep the register at its designated corporate trust office in which, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of the 2008A Bonds in accordance with the terms of this Supplemental Bond Ordinance.

Each 2008A Bond shall be transferable only upon the presentation and surrender thereof at the designated corporate trust operations office of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any 2008A Bond for transfer, the Registrar shall authenticate and deliver in exchange therefor, within a reasonable time after such presentation, a new 2008A Bond or 2008A Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity, sub-series and aggregate principal amount and bearing interest at the same rate as of the 2008A Bond or 2008A Bonds so presented.

All 2008A Bonds shall be exchangeable upon the presentation and surrender thereof at the designated corporate trust operations office of the Registrar for a 2008A Bond or 2008A Bonds of the same maturity, sub-series and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the 2008A Bond or 2008A Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchanged 2008A Bonds in accordance with the provisions of this Section. Each 2008A Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Supplemental Bond Ordinance to the same extent as the 2008A Bond or 2008A Bonds in lieu of which such 2008A Bond is delivered.

The Authority or the Registrar may require the Owner of any 2008A Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such 2008A Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the Authority.

The Registrar shall not be required to transfer or exchange any 2008A Bond during any period between the Record Date and the next Interest Payment Date, during the fifteen (15) days

prior to the mailing of any notice of redemption, or subsequent to the mailing of any notice of redemption of such Bond by the Registrar.

The foregoing provisions of this Section 2.5 shall not apply in the event the 2008A Bonds are offered through the Depository Company.

Section 2.6. Cancellation. All 2008A Bonds paid or redeemed in accordance with this Supplemental Bond Ordinance, and all 2008A Bonds or replacement 2008A Bonds authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Registrar shall periodically furnish the Authority with certificates of destruction for such 2008A Bonds.

Section 2.7. Replacement Bonds. Upon the presentation and surrender to the Registrar of a mutilated 2008A Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement 2008A Bond of like maturity, sub-series, interest rate and principal amount, bearing a number not contemporaneously outstanding. The Authority or the Registrar may require the Owner of such 2008A Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar.

If any 2008A Bond is lost, apparently destroyed or wrongfully taken, the Authority, pursuant to the applicable laws of the State of Indiana and in the absence of notice or knowledge that such 2008A Bond has been acquired by a bona fide purchaser, shall execute and the Registrar shall authenticate and deliver a replacement 2008A Bond of like maturity, sub-series, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner thereof shall have:

- (a) furnished to the Authority and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such 2008A Bond;
- (b) furnished to the Authority and the Registrar such security or indemnity as may be required by the Registrar and the Authority to save them harmless;
- (c) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (d) met any other reasonable requirements of the Authority, the Paying Agent, the Trustee and the Registrar.

If, after the delivery of such replacement 2008A Bond, a bona fide purchaser of the original 2008A Bond in lieu of which such replacement 2008A Bond was issued presents for payment such original 2008A Bond, the Authority, the Paying Agent and the Registrar shall be entitled to recover such replacement 2008A Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and the Authority, the Paying Agent and the Registrar shall be entitled to recover upon the security or indemnity provided therefor to the

extent of any loss, damage, cost or expense incurred by the Authority, the Paying Agent or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken 2008A Bond has become or is about to become due and payable, the Authority in its discretion may, instead of issuing a replacement 2008A Bond, authorize the Paying Agent to pay such 2008A Bond.

Each replacement 2008A Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Supplemental Bond Ordinance to the same extent as the 2008A Bond in lieu of which such replacement 2008A Bond is delivered.

Section 2.8. Paying Agent, Registrar and Tender Agent, Appointment and Acceptance of Duties. The Bank of New York Trust Company, N.A., Indianapolis, Indiana, is hereby appointed as Tender Agent, Registrar and Paying Agent for the 2008A Bonds. The Bank of New York Trust Company, N.A., shall signify its acceptance of the duties and obligations imposed upon it by the Master Ordinance and this Supplemental Bond Ordinance by executing and delivering a written acceptance thereof to the Authority and the Trustee.

Section 2.9. Remarketing Agent, Appointment and Acceptance of Duties. An Authorized Airport Representative is hereby authorized to cooperate with the Bond Bank to appoint Remarketing Agents for the 2008 Bond Bank Bonds. Such Remarketing Agents shall signify their acceptance of the duties and obligations imposed upon them by such appointment by executing and delivering a Remarketing Agreement and any other necessary agreement or certificate required by the Bond Bank and the Authority in connection with the issuance of the 2008 Bond Bank Bonds.

[End of Article II]

ARTICLE III.

FORM OF 2008A BONDS

Section 3.1. Form of 2008A Bonds. The 2008A Bonds shall be in substantially the form attached hereto as Exhibit B, each with such additions, deletions and variations as may be necessary or desirable and permitted by this Supplemental Bond Ordinance. The 2008A Bonds shall contain a recital that they are issued under IC 8-22-3.

[End of Article III]

ARTICLE IV.

PROVISIONS CONCERNING SALE AND APPLICATION
OF PROCEEDS OF THE 2008A BONDS

Section 4.1. Sale of the 2008A Bonds.

(a) Sale of the 2008A Bonds shall be made to the Bond Bank at a price approved by an Authorized Airport Representative, which shall not be less than 95% of the principal amount thereof as set forth in the Purchase Agreement. The amount paid by the Bond Bank will be net of an amount equal to costs of issuance not to exceed 2% of the principal amount thereof, and any amounts due pursuant to the Ancillary Bond Agreements for the 2008A Bonds or the 2008 Bond Bank Bonds.

(b) The 2008A Bonds shall bear interest as described in Exhibit B hereto or in the Purchase Agreement, shall mature no later than January 1, 2048, and shall be subject to tender, mandatory sinking fund redemption or other redemption as described in Exhibit B hereto or in the Purchase Agreement as determined by an Authorized Airport Representative.

(c) An Authorized Airport Representative is authorized to approve the sale of the 2008A Bonds, subject to the following:

(i) the principal amount of the 2008A Bonds shall be not greater than \$450,000,000 and shall be sufficient to, as determined by such Authorized Airport Representative, (A) pay all or a portion of the Outstanding Commercial Paper at maturity, (B) finance costs of issuing the 2008A Bonds and the 2008 Bond Bank Bonds in an amount not in excess of 2% of the principal amount of the 2008 Bond Bank Bonds, (C) fund the 2008A Capitalized Interest Account of the Revenue Bond Interest and Principal Fund, (D) finance any payments due to any other party to an Ancillary Bond Agreement related to the 2008A Bonds or 2008 Bond Bank Bonds, (E) fund an amount to be deposited in the 2008 Reserve Account as is required to meet the 2008 Debt Service Reserve Requirement, and (F) fund a portion of the Project Costs of the 2008 Projects with the remaining available proceeds; and

(ii) the initial interest rate on the 2008A Bonds, calculated taking into account any amount paid to secure any Ancillary Bond Agreement, shall not exceed 6.5%.

(d) The President or Vice President of the Authority is hereby authorized and directed to sign the Final Official Statement (as defined herein). The President or Vice President and the Secretary or Assistant Secretary are hereby authorized and directed to sign the 2008A Bonds and any one of them is authorized to enter into and execute the Purchase Agreement, the Letter of Representations and any Ancillary Bond Agreements for the 2008 Bond Bank Bonds and the 2008A Bonds on behalf of the Authority, each in substantially the form contemplated hereby, with such changes as may be deemed

appropriate by an Authorized Airport Representative, the execution of such documents constituting conclusive evidence of the approval of such changes. An Authorized Airport Representative shall approve the amount and final pricing of the 2008A Bonds, the terms of any Ancillary Bond Agreement, the final variable rate provisions pertaining to the 2008 Bond Bank Bonds, and all other terms and conditions for the sale and issuance of the 2008A Bonds by his or her approval of the Purchase Agreement. The signatures of the President and Secretary on the 2008A Bonds may be facsimiles.

Section 4.2. Approval, Registration and Initial Delivery. An Authorized Airport Representative is hereby authorized to have control and custody of the 2008A Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and other officers, employees and agents of the Authority are hereby authorized and instructed to make such certifications and to execute such instruments as may be necessary to accomplish the initial delivery of the 2008A Bonds. The Registrar is hereby authorized to manually authenticate said 2008A Bonds and an Authorized Airport Representative is authorized to deliver said 2008A Bonds to the Bond Bank upon payment therefor. The 2008A Bonds shall not be issued, however, unless:

(a) No Default. An Authorized Airport Representative certifies that, upon the issuance of the 2008A Bonds, the Authority will not be in default under any term or provision of any Revenue Bonds then Outstanding or any ordinance pursuant to which any of such Revenue Bonds were issued.

(b) Proper Fund Balances. An Authorized Airport Representative certifies that, upon the issuance of the 2008A Bonds, the Revenue Bond Interest and Principal Fund will have the required amounts on deposit therein and that the 2008 Reserve Account, if any, of the Revenue Bond Reserve Fund will have on deposit an amount equal to the 2008 Debt Service Reserve Requirement.

(c) Historical Coverage on Outstanding Bonds. An Authorized Airport Representative certifies that, for either the Authority's most recent complete Fiscal Year or for any consecutive 12 out of the most recent 18 months, the Net Revenues of the Airport System, together with moneys in the Coverage Fund (as of the last day of such period), were equal to at least 125% of the Debt Service Requirement for all Revenue Bonds for such period (without taking into account any Debt Service Requirement for the 2008A Bonds).

(d) Projected Coverage for the 2008A Bonds. Jacobs Consultancy certifies (based on the Authority's expectations) that the estimated Net Revenues of the Airport System for each of three (3) consecutive Fiscal Years beginning in the earlier of:

(i) the first Fiscal Year following the estimated date of completion and initial use of the 2008 Projects, or

(ii) The first Fiscal Year in which the Authority has scheduled payments of interest on or principal of the 2008A Bonds, the payment of which

has not been provided for from proceeds of Revenue Bonds, investment income thereon or from other appropriated sources (other than Net Revenues),

are, together with the moneys in the Coverage Fund and the Prepaid Airline Fund (as of the last day of the applicable Fiscal Year), equal to at least 125% of the Debt Service Requirement for all Revenue Bonds scheduled to occur during each such respective Fiscal Year after taking into consideration the additional Debt Service Requirement for the 2008A Bonds.

Section 4.3. Offering Documents. The Authority hereby approves the substantially final form of the Official Statement and authorizes the President or Vice President, consistent with the provisions of the Securities Exchange Act of 1934 (the "SEC Rule") and the Bond Bank's purchase agreement with the underwriters of the 2008 Bond Bank Bonds, to be placed in final form and distributed to purchasers and potential purchasers of the 2008 Bond Bank Bonds and offered thereby as the final official statement of the Authority, as of the date thereof, with respect to the 2008 Bond Bank Bonds (the "Official Statement").

Section 4.4. Application of Proceeds of the 2008A Bonds and Other Funds. Proceeds from the sale of the 2008A Bonds received from the Bond Bank shall, promptly upon receipt by the Authority, be applied as follows:

(a) An amount, if any, determined by an Authorized Airport Representative shall be deposited in the Subordinate Securities Interest and Principal Fund held by the Trustee, which shall be sufficient to pay all or a portion of the Outstanding Commercial Paper within ninety (90) days of the closing date for the 2008A Bonds;

(b) An amount determined by an Authorized Airport Representative shall be deposited into the 2008A Capitalized Interest Account of the Revenue Bond Interest and Principal Fund which shall be applied in accordance with Section 4.9 hereof;

(c) An amount shall be deposited into the 2008 Reserve Account of the Revenue Bond Reserve Fund equal to the 2008 Debt Service Reserve Requirement; and

(d) The remaining amounts shall be deposited in the 2008A Construction Fund to be created by the Authority and held by the Trustee, in accordance with Section 4.8 hereof.

Section 4.5. No Arbitrage. The Authority certifies that, based upon all facts and estimates now known or reasonably expected to be in existence on the date the 2008A Bonds are delivered and paid for, the Authority reasonably expects that the proceeds of the 2008A Bonds will not be used in a manner that would cause any 2008A Bond to be an "arbitrage bond" under Section 148 of the Internal Revenue Code of 1986, as amended and existing on the date of issuance of the 2008A Bonds (the "Code"). Furthermore, all officers, employees and agents of the Authority are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Authority as of the date the 2008A Bonds are delivered and paid for. In particular, all or any officers of the Authority are authorized to certify for the Authority the facts and circumstances and reasonable expectations of the Authority on the

date the 2008A Bonds are delivered and paid for regarding the amount and use of the proceeds thereof. Moreover, the Authority covenants that it shall make such use of the proceeds of the 2008A Bonds, regulate investments of proceeds thereof and take such other and further actions as may be required so that the 2008A Bonds shall not be "arbitrage bonds" under Section 148 of the Code and regulations prescribed from time to time thereunder.

Section 4.6. TEFRA Hearings. An Authorized Airport Representative or designee thereof will conduct a public hearing on behalf of the Authority and the Bond Bank (a "TEFRA hearing") at 9:30 a.m. on Friday, May 16, 2008, and requisite notice of the TEFRA hearing was published no less than 14 days before such TEFRA hearing in newspapers of general circulation available to residents of Hamilton County, Hancock County, Hendricks County and Marion County, Indiana. Such Authorized Airport Representative, or its designee, will conduct the TEFRA hearing in a manner that provides a reasonable opportunity for persons with differing views on the issuance of the 2008A Bonds and 2008 Bond Bank Bonds to be heard and public approval for the issuance of the 2008A Bonds and 2008 Bond Bank Bonds to be procured, all as required by Section 147(f) of the Code.

Section 4.7. Tax Covenants. In order to preserve the exclusion from gross income of the interest on the 2008A Bonds under Section 103 of the Code as required by Section 6.09 of the Master Ordinance, the Authority hereby certifies and covenants as follows:

(a) Certain proceeds (the "Refunding Proceeds") of the 2008A Bonds may be used to pay a portion of the Outstanding Commercial Paper at maturity (the "Refunded CP"). All remaining proceeds are herein referred to as the "Non-refunding Proceeds." All of the Refunding Proceeds will be used to refund an equivalent amount of the Outstanding Commercial Paper. At least 95% of the proceeds of the Refunded CP were used to finance the Prior CP Projects. At least 95% of the Refunded CP, including interest earned thereon, less the 2008 Debt Service Reserve Requirement deposited pursuant to Section 4.4(c) hereof, will be used to pay 2008 Project Costs. Each Prior CP Project and each 2008 Project constitutes a facility which is directly related and essential to:

- (i) Servicing aircraft or enabling aircraft to take off and land; or
- (ii) Transferring passengers or cargo to or from aircraft,

or which constitute facilities which are functionally related and subordinate to the Airport System. A facility (or part thereof) is functionally related and subordinate to the Airport System if (i) it is of a size and character commensurate with the size and character of the Airport System, and (ii) it is located at or adjacent to an airport within the Airport System. Unimproved land (including agricultural land) that is adjacent to any airport in the Airport System and that is impaired by a significant level of airport noise is functionally related and subordinate to the Airport System if after its acquisition that land will not be converted to a use that is incompatible with the level of airport noise. Adjacent land with existing improvements also may be functionally related and subordinate to the Airport System by reason of impairment of a significant level of airport noise but only if the use of such land before its acquisition was incompatible with

the airport noise level, its use after the acquisition is to be compatible, and the post-acquisition use will be essentially different from the pre-acquisition use. However, notwithstanding the foregoing, an interest in such improved land acquired solely to mitigate damages attributable to Airport System noise is treated as functionally related and subordinate to the Airport System.

(b) (i) Each Prior CP Project and each 2008 Project is owned by the Authority for federal income tax purposes. Except as described in paragraph (ii) below, none of the Prior CP Projects and none of the 2008 Projects are or will be leased to or managed by any person other than the Authority.

(ii) Certain of the Prior CP Projects and the 2008 Projects may be leased by the Authority or otherwise used in the trade or business of a party other than the Authority under: (A) an Agreement and Lease of Premises at Indianapolis International Airport with the Authority and each respective airline (collectively, the "Airline Agreements"), pursuant to which the Authority is the owner of such Prior CP Projects and 2008 Projects for federal income tax purposes; or (B) a lease (x) which has a lease term (as defined in Section 168(i)(3) of the Code) which will not be more than 80% of the reasonably expected economic life (as defined in Section 147(b) of the Code) of such respective Prior CP Projects and 2008 Projects to which such lease relates, (y) pursuant to which the lessee has no option to purchase such Prior CP Projects and 2008 Projects, and (z) pursuant to which the lessee shall make an irrevocable election (binding upon it and all successors in interest) not to claim depreciation or investment credit with respect to such Prior CP Projects and 2008 Projects; or (C) any other agreement or lease which in the opinion of nationally recognized bond counsel does not adversely affect the exclusion from gross income of the interest on the 2008A Bonds for federal income tax purposes.

(c) At least 95% of the proceeds of the Refunded CP and 95% of the Net Proceeds were or will be spent on the Prior CP Projects or the 2008 Projects, respectively, which do not constitute:

(i) A lodging facility;

(ii) A retail facility (including food and beverage facilities) in excess of a size necessary to serve passengers and employees at the Airport;

(iii) A retail facility (other than parking) for passengers or the general public located outside of the airport terminals; or

(iv) Any office building for individuals who are not employees of a governmental unit or of the operating authority for the Airport.

(v) An industrial park or manufacturing facility.

(d) Each Prior CP Project and each 2008 Project serves or is available on a regular basis for general public use, as contrasted with a facility which is constructed for the exclusive use of a limited number of persons in their trades or businesses. A facility will so qualify even if it is owned by, or leased to or permanently assigned to, a person other than the Authority, provided that such person directly serves the general public, such as a common passenger carrier or freight carrier. None of the Prior CP Projects or the 2008 Projects will, by reason of a formal or informal agreement or by reason of geographic location, not be available for general public use.

(e) (i) (A) On September 5, 2003, the Authority adopted General Ordinance No. 5-2003 (the "2003 CP Official Action") related to the 2005 Issue (the "2005 Issue") of the Authority's Subordinate Commercial Paper, Series 1999 which Ordinance constituted Notice of Intent under Section 1.150-2 of the Regulations.

(B) No reimbursement to the Authority was made from the proceeds of the 2005 Issue for any expenditure(s) paid by the Authority prior to the 2003 CP Official Action.

(C) On April 20, 2007, the Authority adopted General Ordinance No. 2-2007 related to a 2007 Issue of the Authority's Subordinate Commercial Paper, Series 1999 (the "2007 CP Official Action"), which Ordinance constituted Notice of Intent under Section 1.150-2 of the Regulations.

(D) No reimbursement of the Authority was made from the proceeds of the 2007 Issue for any expenditure(s) paid by the Authority prior to the 2007 CP Official Action.

(E) On April 20, 2007, the Authority adopted General Ordinance No. 1-2007 (the "2007 Program Official Action") related to a 2007 Issue of the Authority's Subordinate Commercial Paper, Series 2007 (the "2007 Program Issue"), which Ordinance constituted Notice of Intent under Section 1.150-2 of the Regulations.

(F) No reimbursement to the Authority was made from the proceeds of the 2007 Program Issue for any expenditure(s) paid by the Authority prior to the 2007 Program Official Action.

(ii) The Authority, by official action, approved each of the 2008 Projects not more than sixty (60) days after the time that moneys were expended for the purposes of the 2008 Projects for which reimbursement is sought from bond proceeds. Prior to the approval of any of the 2008 Projects, the Authority expected to reimburse itself for such Project Costs from the proceeds of the 2008A Bonds.

(f) The combined weighted average maturity of the 2008A Bonds shall not exceed 120% of the weighted average reasonably expected remaining economic life of

the 2008 Projects and the Prior CP Projects, computed in the manner prescribed by Section 147(b) of the Code.

(g) No more than 25% of the net proceeds of the Outstanding Commercial Paper were used and no more than 25% of the Net Proceeds will be used (directly or indirectly) for the acquisition of land (or any interest therein) unless:

(i) such land is acquired for noise abatement or wetland preservation, or for future use as an airport; and

(ii) there is no other significant use of such land.

(h) (i) Net proceeds of the Refunded CP and the 2008A Bonds were used for the acquisition of property (or any interest therein), other than land, only if the first use of such property was by the Authority.

(ii) Net Proceeds will be used for the acquisition of property (or any interest therein), other than land, only if the first use of such property is by the Authority.

(i) No portion of the proceeds of the Refunded CP was used and no portion of the proceeds of the 2008A Bonds will be used to provide any airplane, skybox or other private luxury box, health club facility, facility primarily used for gambling, or a store the principal purpose of which is the sale of alcoholic beverages for consumption off the premises.

(j) The issuance costs (as defined in the Code) of the 2008A Bonds and the 2008 Bond Bank Bonds financed by such bonds shall not exceed 2% of the proceeds of the 2008A Bonds.

(k) Each 2008A Bond shall be issued in registered form.

(l) The payment of principal or interest with respect to any 2008A Bond shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality thereof. For purposes of this subparagraph, grants and entitlements received from the federal government and passenger facility charges paid to the Authority shall not constitute a guaranty of the payment of principal or interest with respect to any 2008 Bond by the United States or any agency or instrumentality thereof.

(m) The proceeds of the 2008A Bonds shall not be used in making loans, the payment of the principal or interest with respect to which is to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

(n) The proceeds of the 2008A Bonds shall not be invested (directly or indirectly) in federally insured deposits or accounts except:

(i) proceeds of the 2008A Bonds invested for an initial temporary period until used to finance the 2008 Projects.

(ii) proceeds, if any, of the 2008A Bonds invested for an initial temporary period until used to pay the Refunded CP at maturity.

(iii) investments in a bona fide debt service fund.

(iv) investments in a reserve fund within the meaning of Section 148(d) of the Code, or

(v) investments in bonds issued by the United States Treasury.

(o) The proceeds of the 2008A Bonds shall not be used to advance refund any other tax-exempt obligation.

(p) None of the Non-Refunding Proceeds will be used to reimburse the Authority for an expenditure paid more than sixty (60) days prior to the date this Ordinance is adopted.

(q) The Authority shall file or cause to be filed on or before August 15, 2008, the information return for private activity bonds on Form 8038 with the Internal Revenue Service Center, Ogden, Utah, relating to the 2008A Bonds.

(r) Any Authorized Airport Representative is hereby authorized to execute a definitive tax representation certificate at the closing of the 2008A Bonds pertaining to the representations contained in this Section 4.7.

Section 4.8. 2008A Construction Fund. There is hereby created and established with the Trustee, a construction fund to be designated the "2008A Construction Fund" (the "2008A Construction Fund"), into which shall be deposited a portion of the proceeds of the 2008A Bonds as set forth in Section 4.4(d) hereof. Moneys shall be deposited to the 2008A Construction Fund pursuant to Section 4.4(d) hereof, this Section 4.8 and Section 4.9 hereof. No funds held in the 2008A Construction Fund shall be used to pay the costs of issuing the 2008A Bonds and the 2008 Bond Bank Bonds. The funds in the 2008A Construction Fund and the investment earnings thereon shall be paid by the Trustee to the Authority to be used for paying the Project Costs of the 2008 Projects upon submission by an Authorized Airport Representative of a requisition. All moneys remaining in the 2008A Construction Fund after payment or provision for payment has been made for all Project Costs of the 2008 Projects, shall be transferred pursuant to Section 4.18 of the Master Ordinance and may be invested as permitted in the Master Ordinance, but may not be invested (without an opinion of Ice Miller LLP, or another nationally recognized bond counsel selected by the Authority, to the effect that such investment will not adversely affect the exclusion from gross income of the interest on the 2008A Bonds) in a manner which produces a yield on such investments greater than the yield on the 2008A Bonds, determined in accordance with Section 148 of the Code.

Upon the occurrence of any Event of Default under the Master Ordinance, the Trustee shall apply all moneys in the 2008A Construction Fund in accordance with the provisions of the Master Ordinance.

Section 4.9. 2008A Capitalized Interest Account. There is hereby created and established an account of the Revenue Bond Interest and Principal Fund to be designated the "2008A Capitalized Interest Account." Moneys deposited in the 2008A Capitalized Interest Account pursuant to Section 4.4(b) hereof may be applied to pay interest on (i) the portion of the 2008A Bonds used to pay for Project Costs and (ii) a portion of the Authority's Outstanding Revenue Bonds, to the extent such bonds financed projects not yet placed in service, on each applicable Interest Payment Date to the extent that the Authority directs the Trustee. The Authority covenants to apply such moneys to the payment of interest on such Revenue Bonds only to the extent that such use is permitted by Section 4.7 hereof. Whenever the Authority certifies to the Trustee that the use of additional moneys in the 2008A Capitalized Interest Account is not permitted by Section 4.7 hereof, all remaining moneys in the 2008A Capitalized Interest Account shall be transferred to the 2008A Construction Fund. Investment earnings earned on amounts held in the 2008A Capitalized Interest Account shall be transferred to the 2008A Construction Fund.

Section 4.10. Tender and Redemption. The 2008A Bonds shall be subject to tender and redemption at the times and in the manner in which the 2008 Bond Bank Bonds are subject to tender and redemption.

Section 4.11. Revenue Bond Reserve Fund. The Authority hereby elects to secure the Secured Bonds with the 2008 Account of the Revenue Bond Reserve Fund.

An amount necessary to make the funds on deposit in the 2008 Reserve Account equal to the 2008 Debt Service Reserve Requirement shall be deposited into the 2008 Reserve Account. In any month in which the 2008 Reserve Account contains less than the 2008 Debt Service Reserve Requirement, then, on or before the last business day of such month, after making all required payments and provisions for payment of Operation and Maintenance Expenses and after making all required transfers to the Revenue Bond Interest and Principal Fund, there shall be transferred into the 2008 Reserve Account from the Airport System Fund an amount sufficient to reestablish in the 2008 Reserve Account the 2008 Debt Service Reserve Requirement. After the 2008 Debt Service Reserve Requirement has been accumulated in the 2008 Reserve Account and for so long thereafter as such 2008 Reserve Account contains such amount, no further transfers shall be required to be made to the 2008 Reserve Account. In the event and to the extent that moneys in the 2008 Reserve Account exceed the 2008 Debt Service Reserve Requirement, such excess moneys shall be transferred to the Capital Improvement Fund. Moneys in the 2008 Reserve Account shall be used to pay principal of, and interest on, the Secured Bonds on a pro rata basis in the event and to the extent that available funds in the Revenue Bond Interest and Principal Fund are insufficient for such purpose, and such moneys may also be used to make the final payments for the retirement or defeasance of any of the Secured Bonds then Outstanding to the extent the amount remaining in the 2008 Reserve Account exceeds the 2008 Debt Service Reserve Requirement for the remaining Secured Bonds.

The Authority may satisfy the 2008 Debt Service Reserve Requirement, by delivery to the Trustee of a surety bond, an insurance policy or a letter of credit (each, a "Reserve Policy"). The issuer of each Reserve Policy must be rated by each Rating Agency then rating such applicable series of Revenue Bonds or such Rating Agency must consent to the delivery of each such Reserve Policy. The obligation of the Authority to fund the applicable reserve requirement

shall be deemed satisfied as of any date to the extent of the then available balance of any Reserve Policy; *provided, however,* that the applicable reserve requirement shall not be satisfied if, on the date of delivery of a Reserve Policy, the rating on any Revenue Bond issued by any Rating Agency would be reduced or withdrawn as a result of the delivery of such Reserve Policy. If a disbursement is made pursuant to a Reserve Policy, the Authority must be obligated (i) to reinstate the maximum limits of such Reserve Policy or (ii) to deposit into the applicable account of the Revenue Bond Reserve Fund moneys in an amount equal to the disbursement made under such Reserve Policy, or a combination of such alternatives, as would provide that the applicable account of the Revenue Bond Reserve Fund has all of the moneys on deposit as it shall be required to have at such time.

[End of Article IV]

ARTICLE V.

ANCILLARY BOND AGREEMENTS

Section 5.1. Ancillary Bond Agreements. The Authority hereby authorizes an Authorized Airport Representative to enter into any Ancillary Bond Agreements related to the 2008A Bonds, the 2008 Bond Bank Bonds and any related Qualified Derivative Agreement deemed appropriate, necessary or desirable. In addition, the President and Secretary are hereby authorized to execute such agreement or agreements as approved by an Authorized Airport Representative.

[End of Article V]

ARTICLE VI.

MISCELLANEOUS

Section 6.1. Construction and Severability. If any section, paragraph, clause or provision of this Supplemental Bond Ordinance shall for any reason be held to be inconsistent with the 2008A Bonds, invalid or unenforceable, the inconsistency, invalidity or unenforceability of such section, paragraph, clause or provision shall not affect the terms of the 2008A Bonds or any of the remaining provisions of this Supplemental Bond Ordinance.

Section 6.2. Consent to Amendments of Master Ordinance. By purchasing the 2008A Bonds, the Bond Bank, as purchaser of the 2008A Bonds, and all subsequent purchasers or Owners for themselves and on behalf of all future Owners of the 2008A Bonds and the 2008 Bond Bank Bonds, consent to the amendments authorized to be made to the Master Ordinance by General Ordinance No. 1-2008. By agreeing to enter into an Ancillary Bond Agreement related to all or any portion of the 2008A Bonds or the 2008 Bond Bank Bonds, an insurer, credit provider and/or liquidity provider and/or other credit enhancement provider of the 2008 Bond Bank Bonds or the 2008A Bonds hereby consents, as to such 2008A Bonds, to the amendments authorized to be made to the Master Ordinance by General Ordinance No. 1-2008.

Section 6.3. Reserved.

Section 6.4. Payment of Commercial Paper. If an Authorized Airport Representative determines it is financially prudent, such Authorized Airport Representative is hereby authorized and directed to direct the Trustee to pay all or a portion of the outstanding principal amount of the Outstanding Commercial Paper at maturity with Net Proceeds within ninety (90) days of issuing the 2008A Bonds, all in accordance with the Master Ordinance.

Section 6.5. Investment of Net Proceeds. Any Authorized Airport Representative is hereby authorized to bid for, negotiate and enter into an agreement or agreements regarding the investment of the Net Proceeds.

Section 6.6. Appointment of Airport Director. Any Authorized Airport Representative is hereby appointed to serve as the Airport Director for purposes of this Supplemental Bond Ordinance.

Section 6.7. 2008A Bonds as Designated Debt; Synthetic Fixed Rate Debt. \$350,000,000 of the 2008A Bonds are hereby designated by the Authority as Designated Debt under the Master Ordinance. On July 1, 2008, one or more Qualified Derivative Agreements become effective which, when combined with such Designated Debt, creates a substantially fixed-rate obligation and such 2008A Bonds shall thereafter be treated as Synthetic Fixed Rate Debt under the Master Ordinance. As a consequence, the Debt Service Requirement for the 2008 Bonds shall be calculated in accordance with paragraph (viii) of the definition of Debt Service Requirements under the Master Ordinance.

Section 6.8. Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith, are hereby repealed to the extent of such inconsistency.

Section 6.9. Effective Date. This Supplemental Bond Ordinance shall be in full force and effect on the date of its adoption.

[End of Article VI]

Adopted this ____ day of _____, 2008.

INDIANAPOLIS AIRPORT AUTHORITY

Randall L. Tobias, President

Lacy M. Johnson, Vice-President

Alfred R. Bennett, Secretary

N. Stuart Grauel, Treasurer

Kelly J. Flynn, Member

Shirley M. Haflich, Member

Michael B. Stayton, Member

Robert H. Voorhies, Member

Attest:

APPROVAL OF MAYOR

Pursuant to IC 8-22-3-18.1, and Section 147(f) of the Code, I, as the highest elected public official as defined in Section 147(f) of the Code, hereby approve the issuance of the 2008A Bonds of the Indianapolis Airport Authority in an amount not to exceed \$450,000,000 for the various purposes described in Exhibit A hereto.

Dated this _____ day of _____, 2008.

Gregory A. Ballard, Mayor,
City of Indianapolis, Indiana

EXHIBIT A

Authorized Use of Net Proceeds

1. Paying a portion of the Outstanding Commercial Paper at maturity.
2. Funding a portion of the Authority's Capital Improvement Program shown on Attachment I.

EXHIBIT B

FORM OF 2008A BOND

United States of America
State of Indiana
County of Marion

Number
08A_R-1

**INDIANAPOLIS AIRPORT AUTHORITY VARIABLE RATE
AIRPORT REVENUE BONDS, SERIES 2008A**

<u>Interest Rate</u>	<u>Interest Rate Mode</u>	<u>Maturity Date</u>	<u>Initial Issue Date</u>
Variable	Weekly	See Schedule I	June __, 2008

Registered Owner: THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

Total Principal Amount: THREE HUNDRED FIFTY MILLION DOLLARS (\$350,000,000)

The INDIANAPOLIS AIRPORT AUTHORITY, a municipal corporation, situated in Marion and Hendricks Counties, Indiana (the "Authority"), for value received, hereby promises to pay, solely from the revenues hereinafter specified and from no other source, to the Registered Owner identified above or registered assigns, on the Maturity Dates specified in Schedule I to this Bond, the Principal Amount identified above, in installments on each Maturity Date specified in Schedule I to this Bond, in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due in the United States of America, and to pay, solely from such revenues. Interest (as defined in accordance with the definition below) on this Bond is payable on the first Business Day of each month, (the "Interest Payment Date"), beginning _____ 1, 2008, until the maturity or redemption date of this bond or until the Authority's obligation with respect to this bond has been satisfied. Interest is payable from the Interest Payment Date next preceding the date of authentication hereof shown below, except: (1) if this bond is authenticated prior to _____, 2008, then interest is payable from the Initial Issue Date; (ii) if this bond is authenticated during the period between a Record Date (as defined herein) and the Interest Payment Date with respect thereto, then interest is payable from such Interest Payment Date; or (iii) if the payment on this bond is in default, then interest is payable from the date to which interest has been paid in full. Interest on this bond shall be payable by check or draft mailed by the Paying Agent to the Owner of record as of the Business Day preceding the Interest Payment Date (the "Record Date") as shown on the books of registration kept by the Registrar.

"Interest" on this bond shall include: (1) interest accrued during such period on The Indianapolis Local Public Improvement Bond Bank Bonds, Series 2008C; (2) all amounts then owed on a Qualified Derivative Agreement (as defined in the Ordinance) entered into by the Authority, the Bond Bank and a counterparty thereto less all amounts expected to be received on any Qualified Derivative Agreement entered into by the Authority, the Bond Bank and a counterparty thereto; (3) all amounts owed on a Reimbursement Obligation (as defined in the Ordinance); and (4) all other amounts owed to the Bond Bank under the Qualified Entity Purchase Agreement between the Authority and the Bond Bank.

This bond is one of a duly authorized issue of Bonds titled "Indianapolis Airport Authority Airport Revenue Bonds, Series 2008A", aggregating \$350,000,000 (the "2008A Bonds"), issued pursuant to General Ordinance No. 4-2002, as heretofore supplemented and amended, and as further amended by General Ordinance No. 7-2005 and General Ordinance No. 1-2008 and as supplemented by General Ordinance No. 2-2008 (herein collectively the "Ordinance") for the purpose of being applied, together with other lawfully available funds, to provide funds (i) to finance the project costs of various capital improvements of the Authority, (ii) to fund capitalized interest, (iii) to pay all or a portion of the Outstanding Commercial Paper (as defined in the Ordinance), and (iv) to pay the costs of issuance of the 2008A Bonds including, among other things, any costs of securing credit enhancement or liquidity, issued under and pursuant to the authority of Indiana Code, Title 8, Article 22, Chapter 3, as amended. The owner of this bond is referred to, and agrees to, all the terms and provisions of the Ordinance by acceptance of this bond.

This bond and all of the 2008A Bonds are special obligations of the Authority that are equally and ratably payable from and secured by a lien on certain "Net Revenues" of the "Airport System" of the Authority, on a parity with the 2003A Bonds, the 2004A Bonds, the 2005A Bonds, the 2006A Bonds and the 2006B Bonds, all as defined in the Ordinance, which Net Revenues, are required to be set aside for and pledged to the payment of such Revenue Bonds outstanding under the Ordinance in the Revenue Bond Interest and Principal Fund. The 2008A Bonds are further secured by an insurance policy issued by Financial Security Assurance Inc. This bond and the issue of which it is a part, together with the interest thereon, are payable solely from such Net Revenues and do not constitute a general indebtedness or general obligation of the Authority. The owner of this bond shall never have the right to demand payment of this bond or the interest thereon out of any funds raised or to be raised by taxation.

This bond shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this bond is authenticated by the Registrar by due execution of the authentication certificate manually endorsed hereon. Such duly executed certificate of authentication shall be conclusive evidence that this bond was delivered by the Registrar under the provisions of the Ordinance.

The Series 2008A Bonds maturing on January 1, _____, are subject to redemption prior to maturity in whole or in part on _____, or at any time thereafter, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption, and will be redeemed on January 1 of the respective years and in the principal amounts set forth below:

Year Principal Amount

The Series 2008A Bonds maturing on January 1, _____, are subject to redemption prior to maturity in whole or in part on _____, or at any time thereafter, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption, and will be redeemed on January 1 of the respective years and in the principal amounts set forth below:

Year Principal Amount

The Series 2008A Bonds maturing on January 1, _____, are subject to redemption prior to maturity in whole or in part on _____, or at any time thereafter, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption, and will be redeemed on January 1 of the respective years and in the principal amounts set forth below:

Year Principal Amount

The Series 2008A Bonds maturing on January 1, _____, are subject to redemption prior to maturity in whole or in part on _____, or at any time thereafter, at the redemption price of 100% of the principal amount thereof, plus accrued interest to the date fixed for redemption, and will be redeemed on January 1 of the respective years and in the principal amounts set forth below:

Year Principal Amount

Principal may be redeemed as provided in the Trust Indenture between the Indianapolis Local Public Improvement Bond Bank and The Bank of New York Trust Company, N.A. dated as of June 1, 2008.

Notice of the call for redemption shall be given by mailing a copy of such notice of redemption by registered or certified mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the Owners of the 2008A Bonds to be redeemed to the address

shown on the books of the Registrar; provided, however, that failure to give such notice by mailing or a defect in the notice or the mailing as to any 2008A Bonds will not affect the validity of any proceedings for redemption as to any other 2008A Bond for which notice is adequately given. If any 2008A Bonds have been called for redemption but have not been presented to the Paying Agent for payment within sixty (60) days after the date set for the redemption of the 2008A Bonds, the Registrar shall send to the Owners of those 2008A Bonds a second notice of redemption within seventy-five (75) days after the date set for the redemption. If a conditional notice of redemption is provided for any or all 2008A Bonds and sufficient moneys are not on deposit in the redemption account to make such redemption, in whole, on the redemption date, such notice of redemption shall be void and the 2008A Bonds so called for redemption shall remain outstanding as if no notice of redemption had been sent.

Upon the happening of the above conditions, the 2008A Bonds, or portions thereof, thus called for redemption shall not bear interest after the applicable redemption date, shall no longer be protected by the Supplemental Bond Ordinance and shall not be deemed to be Outstanding under the provisions of the Ordinance.

This bond is transferable only upon presentation and surrender at the designated corporate trust operations office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his authorized representative, subject to the terms and conditions of the Ordinance. The 2008A Bonds are exchangeable at the designated corporate trust operations office of the Registrar for the 2008A Bonds in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance. The Registrar is not required to accept any 2008A Bonds for transfer or exchange during the fifteen (15) days prior to mailing of any notice of redemption, subsequent to the mailing of notice of redemption of such 2008A Bonds, or during the period from a Record Date to the Interest Payment Date with respect thereto.

The Authority has issued the 2008A Bonds on a parity with its Airport Revenue Bonds, Series 2003A, its Airport Revenue Bonds, Series 2004A, its Airport Revenue Bonds, Series 2005A, its Airport Revenue Bonds, Series 2006A and its Airport Revenue Bonds, Series 2006B. The Authority has reserved the right to issue additional Revenue Bonds on a parity with the 2003A Bonds, the 2004A Bonds, the 2005A Bonds, the 2006A Bonds, the 2006B Bonds and the 2008A Bonds.

The 2008A Bonds are secured in the manner and subject to the restrictions contained in the Ordinance. The Ordinance contains provisions permitting the Authority to provide for discharging the Authority's obligations on any bonds through defeasance, and to amend the Ordinance. Any amendment to the Ordinance shall be binding upon the Owner of this bond without endorsement hereon or any reference to such amendment, provided that no amendment shall permit (a) an extension of the maturity of the principal of or the interest on this bond, or (b) a reduction of the principal amount of this bond or the rate of interest thereon, or (c) a privilege or priority of any Revenue Bond or Revenue Bonds (as defined in the Ordinance) over any other Revenue Bond or Revenue Bonds, or (d) a reduction in the aggregate principal amount of Revenue Bonds required for consent to such amendment, without the consent of all holders of Outstanding Revenue Bonds.

It is hereby certified, recited and represented that the issuance of the 2008A Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the 2008A Bonds to render the same lawful and valid have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that due provision has been made for the payment of the principal of and interest on the 2008A Bonds by granting a lien on and pledge of the Net Revenues as provided in the Ordinance; and that the issuance of the 2008A Bonds does not exceed any constitutional or statutory limitation.

(Remainder of Page Intentionally Left Blank)

IN WITNESS WHEREOF, the Authority has caused its corporate seal to be impressed or placed in facsimile hereon and this bond to be signed by the President and attested by the Secretary of the Board of the Authority by their manual, lithographed, or printed facsimile signatures.

INDIANAPOLIS AIRPORT AUTHORITY

President

(SEAL)

Attest:

Secretary

AUTHENTICATION CERTIFICATE

This bond is one of the 2008A Bonds described in and delivered pursuant to the within mentioned Ordinance.

THE BANK OF NEW YORK TRUST
COMPANY, N.A., Registrar

By: _____
Authorized Officer

Authentication Date:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

(SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER)

(Print or typewrite name, address, and zip code of transferee)

the within bond and hereby irrevocably constitutes and appoints _____
_____, Attorney, to transfer said bond on the books kept for registration
thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner

NOTICE: Signature must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

Schedule I

Maturity Dates

Interest Rates

Principal Amount

